

STATE OF SOUTH CAROLINA

(Caption of Case)

APPLICATION OF FIRST CHOICE
TECHNOLOGY, INC. FOR A CERTIFICATE OF
PUBLIC CONVENIENCE AND NECESSITY TO
PROVIDE RESOLD INTRASTATE
INTEREXCHANGE TELECOMMUNICATIONS
SERVICES WITHIN THE STATE OF SOUTH
CAROLINA AND FOR ALTERNATIVE
REGULATION FIRST
APPROVED IN DOCKET NO. 95-661-C

BEFORE THE
PUBLIC SERVICE COMMISSION
OF SOUTH CAROLINA

COVER SHEET

DOCKET
NUMBER: 2007 - 393 - C

(Please type or print)

Submitted by: John J. Pringle, Jr.

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NOTE: The cover sheet and information contained herein neither replaces nor supplements the filing and service of pleadings or other papers as required by law. This form is required for use by the Public Service Commission of South Carolina for the purpose of docketing and must be filled out completely.

DOCKETING INFORMATION (Check all that apply)

☐ Emergency Relief demanded in petition☐ Request for item to be placed on Commission's Agenda expeditiously☐ Other:

INDUSTRY (Check one)

- ☐ Electric
☐ Electric/Gas
☐ Electric/Telecommunications
☐ Electric/Water
☐ Electric/Water/Telecom.
☐ Electric/Water/Sewer
☐ Gas
☐ Railroad
☐ Sewer
☒ Telecommunications
☐ Transportation
☐ Water
☐ Water/Sewer
☐ Administrative Matter
☐ Other: _____

NATURE OF ACTION (Check all that apply)

- | | | |
|--|--|--|
| <input type="checkbox"/> Affidavit | <input type="checkbox"/> Letter | <input type="checkbox"/> Request |
| <input type="checkbox"/> Agreement | <input type="checkbox"/> Memorandum | <input type="checkbox"/> Request for Certification |
| <input type="checkbox"/> Answer | <input type="checkbox"/> Motion | <input type="checkbox"/> Request for Investigation |
| <input type="checkbox"/> Appellate Review | <input type="checkbox"/> Objection | <input type="checkbox"/> Resale Agreement |
| <input type="checkbox"/> Application | <input type="checkbox"/> Petition | <input type="checkbox"/> Resale Amendment |
| <input type="checkbox"/> Brief | <input type="checkbox"/> Petition for Reconsideration | <input type="checkbox"/> Reservation Letter |
| <input type="checkbox"/> Certificate | <input type="checkbox"/> Petition for Rulemaking | <input type="checkbox"/> Response |
| <input type="checkbox"/> Comments | <input type="checkbox"/> Petition for Rule to Show Cause | <input type="checkbox"/> Response to Discovery |
| <input type="checkbox"/> Complaint | <input type="checkbox"/> Petition to Intervene | <input type="checkbox"/> Return to Petition |
| <input type="checkbox"/> Consent Order | <input type="checkbox"/> Petition to Intervene Out of Time | <input type="checkbox"/> Stipulation |
| <input type="checkbox"/> Discovery | <input checked="" type="checkbox"/> Prefiled Testimony | <input type="checkbox"/> Subpoena |
| <input type="checkbox"/> Exhibit | <input type="checkbox"/> Promotion | <input type="checkbox"/> Tariff |
| <input type="checkbox"/> Expedited Consideration | <input type="checkbox"/> Proposed Order | <input type="checkbox"/> Other: _____ |
| <input type="checkbox"/> Interconnection Agreement | <input type="checkbox"/> Protest | |
| <input type="checkbox"/> Interconnection Amendment | <input type="checkbox"/> Publisher's Affidavit | |
| <input type="checkbox"/> Late-Filed Exhibit | <input type="checkbox"/> Report | |

Print Form

Reset Form

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January 14, 2008

FILED ELECTRONICALLY AND ORIGINAL VIA 1ST CLASS MAIL SERVICE

The Honorable Charles L.A. Terreni

Chief Clerk

South Carolina Public Service Commission

Post Office Drawer 11649

Columbia, South Carolina 29211

RE: Application of First Choice Technology, Inc. for a Certificate of Public Convenience and Necessity to Provide Resold Intrastate Interexchange Telecommunications Services within the State of South Carolina and for Alternative Regulation First Approved in Docket No. 95-661-C
Docket No. 2007-393-C, ELS File No. 1380-11559

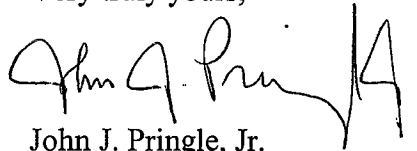
Dear Mr. Terreni:

Enclosed is the original and one (1) copy of the **Testimony of Scott Howsare** filed on behalf of First Choice Technology, Inc. in the above-referenced docket.

Please acknowledge your receipt of this document by file-stamping the copy of this letter enclosed, and returning it in the enclosed envelope.

If you have any questions or need additional information, please do not hesitate to contact me.

Very truly yours,



John J. Pringle, Jr.

JJP/cr

cc: Florence P. Belser, Esquire (via electronic and 1st class mail service)
Leon Nowalsky, Esquire (via electronic and 1st class mail service)
Mr. Scott Howsare (via first-class mail service)

Enclosures

THIS DOCUMENT IS AN EXACT DUPLICATE OF THE E-FILED COPY SUBMITTED TO THE COMMISSION IN ACCORDANCE WITH ITS ELECTRONIC FILING INSTRUCTIONS.

**BEFORE THE
PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA**

DOCKET NO. 2007-393-C

In the Matter of:)
APPLICATION OF **FIRST CHOICE TECHNOLOGY, INC.**)
FOR A CERTIFICATE OF PUBLIC CONVENIENCE)
AND NECESSITY TO PROVIDE RESOLD INTRASTATE)
INTEREXCHANGE TELECOMMUNICATIONS)
SERVICES WITHIN THE STATE OF SOUTH CAROLINA)

**TESTIMONY OF SCOTT HOWSARE
ON BEHALF OF
FIRST CHOICE TECHNOLOGY, INC.**

1 **Q: PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.**

2 **A: My name is Scott Howsare, and my business address is 601 N. Orlando Avenue, Suite 211, Maitland,**
3 **FL 32751.**

4 **Q: BY WHOM ARE YOU EMPLOYED AND IN WHAT CAPACITY?**

5 **A: I am the President of First Choice Technology, Inc.**

6 **Q: IS THE ADDRESS OF THE COMPANY THE SAME AS THAT WHICH YOU HAVE JUST**
7 **SUPPLIED?**

8 **A: Yes.**

9 **Q: PLEASE DESCRIBE YOUR DUTIES FOR THE COMPANY.**

10 **A: I am in charge of handling the Company's regulatory and compliance operations, for acting as liaison**
11 **with governmental agencies, and for overseeing all operations of the company.**

12 **Q: COULD YOU PROVIDE A BRIEF BACKGROUND OF YOUR EDUCATION AND**
13 **EXPERIENCE?**

1 A: Yes. I began my telecommunication career as a Customer Service Supervisor and Manager for
2 National Tel in Fort Lauderdale, Florida from 1995-1997. I also held various Senior Management
3 positions with Network One, an Inc. 500 Integrated Communications Provider (ICP) from 1997-2001,
4 and acted as Vice President of Planning and Development for NUI Telecom and Director of Planning
5 for NUI Corporation from 2001-2003. I have been the President of First Choice since 2003.

6 **Q: WHAT IS THE PURPOSE OF YOUR TESTIMONY?**

7 A: The purpose of my testimony is to present evidence describing the technical, managerial and financial
8 fitness of First Choice to provide resold interexchange services in South Carolina. This testimony will
9 also describe the services to be provided by First Choice and the Company's proposed tariff. Finally,
10 my testimony will show that the public interest will be served by approval of First Choice's application.

11 **Q: ARE YOU FAMILIAR WITH THE APPLICATION OF YOUR COMPANY**
12 **SUBMITTED TO THIS COMMISSION AND ALL EXHIBITS ATTACHED THERETO?**

13 A: Yes.

14 **Q: DO YOU WISH TO INCORPORATE BY REFERENCE ANY DOCUMENTS INTO THIS**
15 **TESTIMONY?**

16 A: Yes. I wish to incorporate by reference the underlying Application filed in this proceeding and its
17 associated exhibits.

18 **Q: DO YOU RATIFY AND CONFIRM THE STATEMENTS AND REPRESENTATIONS**
19 **MADE IN THAT APPLICATION AND ALL EXHIBITS ATTACHED THERETO?**

20 A: Yes.

21 **Q: HAS FIRST CHOICE REGISTERED TO DO BUSINESS IN SOUTH CAROLINA?**

22 A: Yes. First Choice has received foreign corporation authority in South Carolina on April 12, 2005, and
23 a copy of the Certificate of Authorization was attached to the Application as Exhibit B.

1 **Q: PLEASE DESCRIBE THE SERVICES THAT THE COMPANY INTENDS TO PROVIDE**
2 **WITHIN THE STATE OF SOUTH CAROLINA.**

3 **A:** The company seeks authority to operate as a reseller of intrastate interexchange telecommunications
4 services to the public on a statewide basis. Specifically, First Choice proposes to offer traditional
5 switched long distance service, toll-free services, and post-paid calling card services.

6 **Q: DOES THE COMPANY INTEND TO OFFER PREPAID DEBIT CARD SERVICES IN**
7 **SOUTH CAROLINA?**

8 **A:** Not at this time. The Company is aware of this Commission's \$5,000 bond or certificate of deposit
9 requirement associated with prepaid debit card services, and will file such an instrument with the
10 Commission should the Company decide to offer these services in the future.

11 **Q: WHICH CARRIERS CURRENTLY SERVE AS THE COMPANY'S UNDERLYING**
12 **CARRIERS?**

13 **A:** Qwest and/or Global Crossing. The Company can assure the Commission that any carrier with whom
14 the company contracts for the provision of interexchange services will have been properly certified by
15 this Commission.

16 **Q: WHAT SERVICES DO THE UNDERLYING CARRIERS PROVIDE TO THE**
17 **COMPANY?**

18 **A:** The underlying carriers provide the Company's long distance interexchange services.

19 **Q: HOW DOES THE COMPANY RESELL INTEREXCHANGE SERVICES?**

20 **A:** The Company purchases service at a discount from its underlying carriers, and then resells the service
21 under its own brand name to the public.

22 **Q: HOW WILL FIRST CHOICE BILL FOR ITS SERVICES?**

23 **A:** Calls are billed directly by the Company. The Company's customer bill will comply in all respects
24 with Commission Rule 103-622.1.

1 **Q: HOW ARE TROUBLE REPORTS AND CUSTOMER COMPLAINTS HANDLED?**

2 A: First Choice uses a nationwide toll-free number, 1-888-598-0672 for customer services. Live
3 Customer Service hours of operation are 8:30 a.m. to 5:30 p.m. (EST) Monday through Friday. An
4 emergency after hours repair option is available by dialing the toll free Customer Service number
5 above. The Company's toll-free number is printed on all customer billing statements.

6 **Q: HOW ARE BILLING ERRORS AND COMPLAINTS HANDLED?**

7 A: The Customer Service Department is open from 8:30 a.m. to 5:30 p.m. (EST) Monday through Friday
8 by calling 1-888-598-0672 (toll free). Customer service representatives are prepared to respond to a
9 broad range of service matters, including 1) the types of services offered; 2) monthly billing
10 statements; 3) problems or concerns pertaining to a customer's current service; and 4) general
11 telecommunications matters.

12 **Q: ARE YOU FAMILIAR WITH THE TARIFF SUBMITTED AS AN EXHIBIT TO THE**
13 **APPLICATION?**

14 A: Yes.

15 **Q: WAS THE TARIFF PREPARED BY YOU OR UNDER YOUR SUPERVISION?**

16 A: Yes. It was prepared under my supervision.

17 **Q: DESCRIBE THE PROPOSED FIRST CHOICE SOUTH CAROLINA TARIFF.**

18 A: First Choice has included a proposed interexchange tariff which contains the rules, regulations and
19 rates for First Choice's services. First Choice proposes to resell interexchange services, including
20 traditional switched long distance, toll-free services, and post-paid calling card services. These
21 intrastate services are provided to both business and residential customers in conjunction with
22 interstate services. These services are not mileage-sensitive. First Choice's tariff will comport with all
23 applicable Commission Rules and Orders, and First Choice agrees to make any changes suggested by

1 the South Carolina Office of Regulatory Staff ("ORS") necessary to comply with all such applicable
2 authority.

3 **Q: IN YOUR OPINION, ARE YOUR PROPOSED RATES CONTAINED IN THE TARIFF**
4 **JUST AND REASONABLE?**

5 A: Yes. They are competitive in the current market.

6 **Q: WILL THE COMPANY PROVIDE ANY EQUIPMENT OR FACILITIES IN CONNECTION**
7 **WITH ITS SERVICES?**

8 A: No, the Company does not intend to own, operate, control or manage any telecommunications
9 transmission facilities within the State of South Carolina, and does not intend to obtain or construct
10 any such facilities or equipment. However, the Company reserves the right to install its own facilities
11 if and when business conditions warrant, and upon approval of the Commission.

12 **Q: HOW LONG HAS THE COMPANY BEEN IN BUSINESS?**

13 A: First Choice was organized on February 6, 2004. It has the authority to provide interexchange services
14 in about thirty (30) states, and intends to obtain interexchange certification on a nationwide basis.

15 **Q: DOES THE COMPANY HAVE OFFICES IN SOUTH CAROLINA?**

16 A: No. The company does not intend to have offices in South Carolina. Accordingly, the company
17 requests, pursuant to Commission Rule 103-610, that the Commission authorize the company to keep
18 its books and records at its offices in Florida. Upon request, the company will provide any such books
19 and records to the Commission and/or the ORS on an expedited basis and at the company's costs.

20 **Q: DOES THE COMPANY HAVE ADEQUATE AND SUFFICIENT FINANCIAL RESOURCES**
21 **TO PROVIDE THE PROPOSED TELECOMMUNICATIONS SERVICES PROPERLY AND**
22 **CONTINUOUSLY?**

23 A: Yes. The Applicant is adequately funded for continuous operations. The Company has previously
24 submitted financial statements to the Commission and the ORS reflecting its financial status.

1 Q: WHERE DOES THE COMPANY ANTICIPATE OFFERING ITS SERVICES IN SOUTH
2 CAROLINA?

3 A: The Company intends to offer its services on a statewide basis.

4 Q: HOW WILL THE COMPANY MARKET ITS SERVICES?

5 A: The Company will market its services by using independent agents and/or in-house sales
6 representatives. The Company does not intend to use telemarketing in connection with its services.

7 Q: IS THE COMPANY CERTIFIED OR OTHERWISE AUTHORIZED TO PROVIDE RESALE
8 SERVICES OF THE TYPE DESCRIBED HEREIN IN ANY OTHER STATES?

9 A: Yes. The Company is currently authorized to operate in Arizona, California, Colorado, Florida,
10 Georgia, Idaho, Illinois, Indiana, Iowa, Kansas, Kentucky, Louisiana, Michigan, Minnesota, Missouri,
11 Nevada, New Hampshire, New Mexico, New York, North Carolina, Ohio, Oregon, Rhode Island,
12 Texas, Washington, West Virginia, Wisconsin and Wyoming.

13 Q: IN WHAT OTHER STATES WILL THE COMPANY SEEK WHATEVER APPROVALS
14 ARE NECESSARY?

15 A: The Company intends to obtain certification/authorization on a nationwide basis.

16 Q: WHY DOES THE COMPANY WANT TO COMMENCE OPERATIONS IN SOUTH
17 CAROLINA?

18 A: The Applicant intends to operate on a nationwide basis.

19 Q: IN YOUR OPINION, WHY IS THE COMPANY'S SERVICE IN THE PUBLIC INTEREST?

20 A: Allowing the Company to provide service within the State of South Carolina promotes competition
21 within the telecommunications industry, and thereby results in the offering of higher quality services at
22 lower prices to consumers.

23 Q: IS THE COMPANY WILLING AND ABLE TO PROVIDE TELECOMMUNICATIONS
24 SERVICE PROPERLY AND CONTINUOUSLY?

1 A: Yes.

2 Q: IS THE COMPANY WILLING AND ABLE TO CONFORM TO THE CONSTITUTION AND
3 LAWS OF THE STATE OF SOUTH CAROLINA AND TO THE RULES AND
4 REGULATIONS OF THE COMMISSION, UNLESS APPLICATION OF SUCH RULES OR
5 REGULATIONS IS SPECIFICALLY WAIVED BY THE COMMISSION?

6 A: Yes.

7 Q: WILL THE COMPANY FILE ALL APPLICABLE REPORTS AS REQUIRED BY THE
8 COMMISSION?

9 A: Yes. The Company is aware of the Commission's requirements that all telecommunications carriers
10 file a report on South Carolina operations, a gross receipts report, and a universal service contribution
11 report on an annual basis.

12 Q: DOES THE APPLICANT POSSESS THE MANAGERIAL AND TECHNICAL
13 QUALIFICATIONS, EXPERIENCE AND PERSONNEL TO PROVIDE THE PROPOSED
14 PUBLIC TELECOMMUNICATIONS SERVICES?

15 A: Yes. As evidenced by the Management Profiles submitted as an Exhibit to the original application,
16 the Company has sufficient managerial and technical expertise.

17 Q: DOES THIS COMPLETE YOUR TESTIMONY IN SUPPORT OF YOUR APPLICATION?

18 A: Yes.

19 Q: WILL YOU REMAIN AVAILABLE TO RESPOND TO ANY ADDITIONAL QUESTIONS
20 FROM THE COMMISSION OR THE ORS REGARDING YOUR APPLICATION IF
21 NECESSARY?

22 A: Yes.